



What does the New Health Care Law Mean for South Dakotans?

Higher Premiums, Higher Taxes, Job Losses

- \$8,470 in new government spending for every American over the next 10 years. (\$2.6 trillion cost/307 million Americans). The share of national debt for legal every man, woman, and child in the U.S. is already \$40,305.
- While Democrats say the bill will reduce the deficit by \$143 billion, this is filled with budget gimmicks and tricks designed to hide the true cost of the bill. Conservative estimates show that this measure will add \$618 billion to the deficit through 2019.
- 8,900 South Dakota seniors enrolled in Medicare Advantage will have their benefits reduced by half according to the non-partisan Congressional Budget Office (CBO), and a new unelected board of bureaucrats will now be making recommendations to reduce Medicare spending.
- Approximately 77,000 middle-class households in South Dakota will see their taxes go up even after receiving the health care tax credit based on estimates by the Joint Committee on Taxation.
- All Americans must purchase government-approved insurance or face a fine of up to 2.5% of income or \$695, whichever is greater.
- 59,000 South Dakotans in the individual health insurance market, like farmers and ranchers, will see premium rate increases of 10% to 13%. This increase is more than families would have seen if this legislation was not enacted.
- \$63 million in new costs to South Dakota taxpayers (due to the Medicaid expansion) could force the governor and legislature to raise taxes, raise college tuitions, reduce resources for K-12 education, or cut other programs and services.

- South Dakota small businesses employing 50 or more people will pay either higher health care costs or a new penalty if the health care they offer doesn't meet new government mandates. Harvard Professor Kate Baicker's analysis demonstrates that at least 5.5 million low-wage workers would be "at substantial risk of unemployment" due to new mandates on employers. This puts thousands of South Dakotans at risk of losing their job.
- 33,779 South Dakota college students will be overcharged an average \$2,035 on their student loans to fund health care and other government programs.
- 1,200 South Dakotans in the student loan industry could lose their job now that all school loans will be issued by the federal government.
- The youngest 30% of South Dakotans will pay 35% more as premiums go up in the individual market (based upon a study by Oliver Wyman).
- 47,500 low-income South Dakotans will be added to the Medicaid program even though only 50% of doctors nationally are willing to see new Medicaid patients. Interestingly, Medicaid pays an even lower reimbursement rate to physicians than Medicare. This will negatively impact physicians and hospitals, as well as shift costs to individuals with private insurance.

Instead, We Should Pursue Solutions That Actually Lower Costs

- **Small business health plans**
- **Purchase insurance across state lines**
- **Access to lower cost generic drugs**
- **Reduce waste, fraud, and abuse**

- **Health Savings Accounts**
- **Limit junk lawsuits against doctors**
- **Expand access to telehealth**
- **Focus on prevention and wellness**